

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

TOWN OF FRAMINGHAM REQUEST FOR)	
DETERMINATION OF RATES APPLICABLE TO)	
TRANSPORTATION AND TREATMENT OF SEWAGE)	D.T.E. 02-46
PURSUANT TO INTERMUNICIPAL AGREEMENT)	
)	

**TOWN OF FRAMINGHAM'S RESPONSE TO
INQUIRY CONCERNING SEWER RATE ASSESSMENT STUDY**

Per a request made by the Hearing Officer at the December 11, 2002 pre-hearing conference, the Town of Framingham hereby responds to the Department's inquiry concerning the two different versions of the Sewer Rate Assessment Study provided to the Department.

Framingham's consultant, SEA Consultants, Inc., upon review of its records, has determined that the copies of the Sewer Rate Assessment Study submitted to the Department on November 25, 2002, in response to the Department's September 25, 2002 document request, were draft copies of the report that were never intended for distribution. To avoid confusion, Framingham respectfully requests that the Department strike any reference to the filing of these reports in the docket, and return all copies of the draft report to Framingham so that they may be discarded. Alternatively, Framingham seeks permission from the Department to re-file multiple copies of this version of the

report with a cover page marked "Draft," so as to avoid confusion between this version of the report and the final version.

SEA also has confirmed that the report excerpts attached to Framingham's initial Petition in this matter, filed on August 8, 2002, were excerpts from the final version of the report, dated May 21, 2002. Framingham has filed herewith two complete copies of the May 21, 2002 final report.

Framingham's counsel has reviewed the changes between the two reports with SEA. The changes are textual in nature and did not represent a change in SEA's findings. SEA made the changes to clarify certain portions of the report and to make it accessible to a wider audience. SEA has identified the following changes from the draft to the final report:

- ?? the final version of the report contains a two-page "Executive Summary" rather than the one-page summary contained in the draft report. SEA expanded this summary so that a reader could learn more about the report without having to read the entire report.
- ?? SEA included page numbers and the date of the report on each page of the final version of the report;
- ?? SEA included a List of Tables in the final version of the report;
- ?? SEA deleted from Section 1.1 the reference to Framingham users, as the report addressed only out-of-town users;
- ?? SEA changed the phrase "including the Town of Framingham" to "within Framingham" in the first paragraph of Section 2;
- ?? SEA corrected the figures for Natick's flow percentage and total flow in Sections 2.1.1 and 2.1.3;

- ?? SEA deleted a reference to billing inaccuracies regarding two Natick users in the first full paragraph following Table 2-3 after these inaccuracies were corrected;
- ?? SEA added a sentence to Section 3.1.4, concerning Southborough users, reflecting that no additional direct connects to Southborough users are anticipated;
- ?? SEA added a sentence to the paragraph immediately preceding Table 4-1 noting that the table includes budgeted FY 2001 costs;
- ?? SEA changed the format of Table 4-1 by moving the MWRA assessment fees to the bottom of the table, changing the term "CIP" to "capital costs," and combining the two figures for utilities costs into one figure;
- ?? SEA changed the format of Section 4.1.1 to put the different elements of the O&M charge into bullet points, and to reflect the combining of the utilities charges into one figure;
- ?? SEA deleted Table 4-2, and the paragraphs explaining the table, from the final version of the report;
- ?? SEA corrected a reference in Section 4.1.2 to "pumping station capital repair and improvement" to "collection system capital repair and improvement";
- ?? SEA expanded its explanation of depreciation charges in Section 4.1.2.1;
- ?? SEA changed the title of 4.1.3 from "Treatment and Disposal Fees" to "MWRA Assessment" to mimic the earlier table in the report, and set forth the factors of the MWRA analysis in bullet points, to make the report more readable;
- ?? SEA corrected the term "inflow and infiltration" to "infiltration and inflow" in Sections 4.1.5, 5.1.1.2, and 6.1.3.
- ?? SEA corrected a sentence in Section 5.1.1.2, regarding infiltration/inflow fees, to clarify that those fees are directed to the sewer enterprise fund to pay for sewer system improvements;
- ?? SEA clarified the language of the last sentence of Section 5.1.2 to better explain the "direct billing" concept;
- ?? SEA corrected the minimum annual usage figure in Section 5.1.2.2 from 152 HCF to 156 HCF;
- ?? SEA expanded Section 6.1.3.1, relating to depreciation, to better explain its importance as an asset management tool;
- ?? SEA added a sentence to the first paragraph of Section 6.2.2, pertaining to industrial users, to clarify that industrial users typically generate higher strength waste,

and corrected the last sentence of Section 6.2.2, to reflect that high strength waste charges protect other sewer users from paying for industrial usage;

- ?? SEA changed a reference in Section 6.2.3 from the "Town" to "the connected municipality" to reflect that the paragraph speaks in general terms;
- ?? SEA moved Table 6-1, regarding estimated Ashland O&M costs, towards the beginning of Section 6.2.3.1. SEA also corrected the figure pertaining to Framingham's estimated FY 2001 O&M costs (from \$2,041,814 to \$2,316,814), as well as Ashland's estimated proportionate share of those costs (from \$179,000 to \$203,000), to reflect SEA's conclusion that Ashland should pay a proportionate share of any O&M costs associated with Framingham's pumping stations, where the pumping stations are necessary to the performance of the system as a whole. SEA also amended the language following subparagraph (1) on page 6-21 of the final report, regarding the items excluded from total costs to reach the appropriate O&M cost, for the same reason.¹
- ?? SEA deleted from subparagraph (2) of Section 6.2.3.1 its discussion of a proposed alternative formula for determining the fee to be charged to Ashland in connection with any future request for additional sewer capacity;
- ?? SEA added a Table 6-4 to summarize the potential impact of their recommendations on Framingham sewer revenue;
- ?? SEA added additional language to Section 6.2.5.1, regarding infiltration/inflow fees, to emphasize the importance to the Town of updating their fee structure;
- ?? SEA amended Section 6.2.5.4, pertaining to septage tipping fees.

Framingham would be happy to answer any other questions the Department might have regarding the draft and final versions of the SEA report, and regrets the confusion caused by the filing of the draft report.

¹ In reviewing these changes, SEA noted that the language following the asterisk in subparagraph (1) should have been amended in a similar fashion, so that pumping station charges were no longer excluded from the total O&M figure.

Respectfully submitted,

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